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9 **UNITED STATES DISTRICT COURT**
10 **NORTHERN DISTRICT OF CALIFORNIA**

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13 **SECURITIES AND EXCHANGE**
COMMISSION,

14 Plaintiff,

15 vs.

16 **CHARLES SCHWAB & CO., INC.,**

17 Defendant.
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Case No. 3:18-cv-03942

FINAL JUDGMENT AS TO
DEFENDANT CHARLES
SCHWAB & CO., INC.

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Charles Schwab & Co., Inc. having entered a general appearance;
3 consented to the Court's jurisdiction over Defendant and the subject matter of this
4 action; consented to entry of this Final Judgment without admitting or denying the
5 allegations of the Complaint (except as to jurisdiction); waived findings of fact and
6 conclusions of law; and waived any right to appeal from this Final Judgment:

7 I.

8 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
9 permanently restrained and enjoined from violating, directly or indirectly, Section
10 17(a) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C.
11 § 78q(a)] and Rule 17a-8 promulgated thereunder [17 C.F.R. § 240.17a-8], by failing
12 to comply with the reporting, recordkeeping, and record retention requirements of
13 FinCEN's regulations implementing the Bank Secrecy Act, Chapter X of Title 31 of
14 the Code of Federal Regulations, which, among other things, requires broker-dealers ,
15 such as Schwab, to file Suspicious Activity Reports with FinCEN [31 C.F.R.
16 § 1023.320(a)].

17 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
18 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
19 binds the following who receive actual notice of this Final Judgment by personal
20 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
21 attorneys; and (b) other persons in active concert or participation with Defendant or
22 with anyone described in (a).

23 II.

24 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
25 shall pay a civil penalty in the amount of \$2,800,000 to the Securities and Exchange
26 Commission pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C.
27 § 78u(d)(3)]. Defendant shall make this payment within 14 days after entry of this
28 Final Judgment.

1 Defendant may transmit payment electronically to the Commission, which will
2 provide detailed ACH transfer/Fedwire instructions upon request. Payment may also
3 be made directly from a bank account via Pay.gov through the SEC website
4 at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified
5 check, bank cashier's check, or United States postal money order payable to the
6 Securities and Exchange Commission, which shall be delivered or mailed to

7 Enterprise Services Center
8 Accounts Receivable Branch
9 6500 South MacArthur Boulevard
Oklahoma City, OK 73169

10 and shall be accompanied by a letter identifying the case title, civil action number,
11 and name of this Court; Charles Schwab & Co., Inc. as a defendant in this action; and
12 specifying that payment is made pursuant to this Final Judgment.

13 Defendant shall simultaneously transmit photocopies of evidence of payment
14 and case identifying information to the Commission's counsel in this action. By
15 making this payment, Defendant relinquishes all legal and equitable right, title, and
16 interest in such funds and no part of the funds shall be returned to Defendant. The
17 Commission shall send the funds paid pursuant to this Final Judgment to the United
18 States Treasury. Defendant shall pay post-judgment interest on any delinquent
19 amounts pursuant to 28 USC § 1961.

20 III.

21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
22 Consent is incorporated herein with the same force and effect as if fully set forth
23 herein, and that Defendant shall comply with all of the undertakings and agreements
24 set forth therein.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

Dated: 7/9, 2018


UNITED STATES MAGISTRATE JUDGE